GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1790
ANSWERED ON:08.03.2016
Permission for Increasing the Price of Medicines
Sonker Smt. Neelam

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the permission was been sought by the drug producing companies for increasing the rate of any medicine during the last three years;

(b) if so, the details of the permission granted to increase the rate of such medicines; and

(c) the details of such medicines the rate of which have been decreased during the above mentioned period?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)

(a) & (b): As per paragraph 16(1) of the DPCO 2013, the Government shall revise the ceiling prices of scheduled formulations as per the annual wholesale price index (WPI) for preceding calendar year on or before 1st April of every year and notify the same on the 1st day of April every year. As per paragraph 16(2) of DPCO 2013, the manufacturers may increase the maximum retail price (MRP) of scheduled formulations once in a year, in the month of April, on the basis of the wholesale price index with respect to previous calendar year.

Few companies had given representations for increasing the prices of medicines beyond permissible limit mentioning various reasons like increase in cost/ tax/ foreign exchange rates etc. However, no Company has been given permission to increase the prices so far.

(c): The details of reduction in prices of 530 scheduled formulations effected under DPCO, 2013 as compared to the highest price prior to the announcement of DPCO, 2013 are as follows:

<> Statement showing reduction in price with respect to maximum price

% reduction with respect to Maximum Price No. of drugs
0<= 5% 80
5<=10% 50
10<=15% 57
15<=20% 43
20<=25% 65
25<=30% 49
30<=35% 26
35<=40% 34
Above 40% 126
530

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